

# MOODY'S

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### SECTOR IN-DEPTH

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State Debt Medians 2015

## Total Debt Falls for First Time in Almost 30 Years

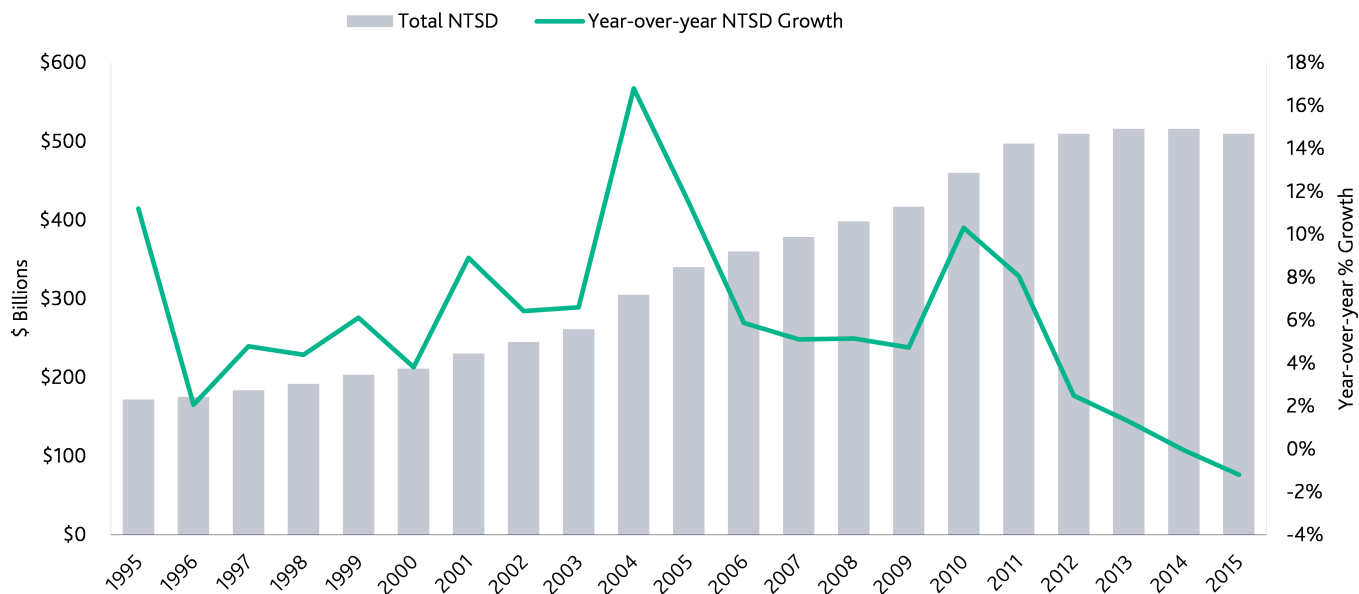
Total net tax-supported debt (NTSD) for US states declined in 2014, the first drop in the 28 years we have compiled the data. The decrease comes as states continue to be reluctant to take on new debt with tight operating budgets, a slow economic recovery, and uncertainty over federal fiscal policy and health care funding. With those factors, we expect debt levels to remain stable or even decline again in 2015.

- » **State debt levels drop.** Following three years of only minimal growth, total NTSD fell by \$6.2 billion, or 1.2%, to \$509.6 billion in 2014. Excluding a reclassification of [Texas'](#) (Aaa stable) general obligation (GO) mobility fund debt to self-supporting, the absolute decline was nearly \$1 billion.
- » **Key debt ratios decline.** NTSD per capita fell 4% to \$1,012, the third decline in a row. NTSD as a percent of personal income fell 2.5%, the second decline in a row.
- » **Reliance on GO debt varies widely across states.** Due to constitutional limitations and political considerations, many states rely on alternative financing methods including lease financings and special-tax bonds. Nationwide, GO bonds account for 52% of total state debt.
- » **Debt levels will stay flat or even decrease again in 2015.** Few states have announced large new borrowing initiatives. Longer term, however, we expect debt levels to rise again as states seek to address deferred infrastructure needs at a time of stagnant federal transportation aid.

## State debt levels drop

Exhibit 1

### Total Net Tax-Supported Debt (NTSD) Falls



Source: Moody's Investors Service

Total net tax-supported debt (NTSD) of US states fell by \$6.2 billion to \$509.6 billion in 2014. Approximately \$5.3 billion of the decline was due to our reclassification of the Texas general obligation mobility fund debt to self-supporting. Even absent this reclassification, the absolute debt level declined by \$900 million, the first drop in total debt levels in the 28 years we have compiled these data.

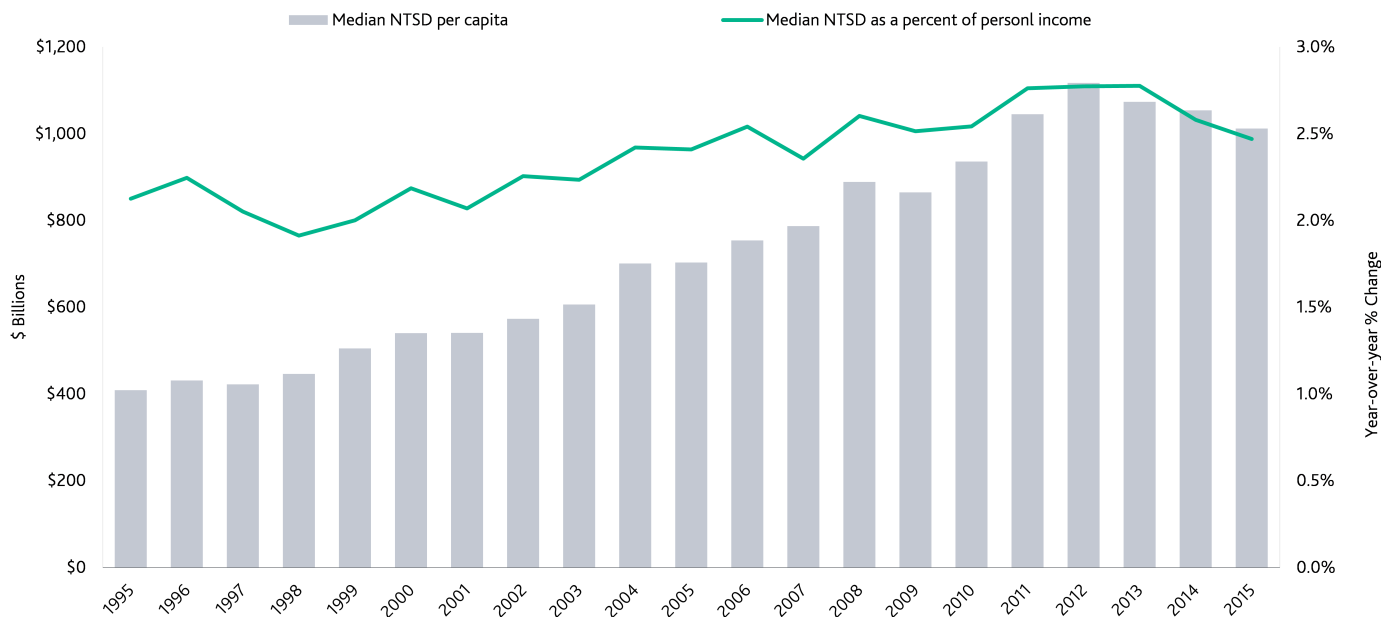
Thirty-one states experienced a decline in absolute debt levels. Other than Texas, the largest decreases were in [New York](#) (Aa1 stable) and [California](#) (Aa3 stable) as these two states continued to pay down debt. Of the 19 states experiencing an increase in NTSD, the largest increases were in [New Jersey](#) (A2 negative) and [Illinois](#) (A3 negative) due to the issuance of new debt for transportation and other capital projects.

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## Key debt ratios decline

Exhibit 2

### Key Ratios for Net Tax-Supported Debt (NTSD) Decline, Signaling Easing of Debt Pressure on States



Sources: Moody's Investors Service, US Census Bureau and US Bureau of Economic Analysis

Our key state debt ratios, NTSD per capita and NTSD as a percent of personal income, both fell in 2014, reflecting the decline in absolute debt levels combined with continued growth in population and personal income. The decreases signal an easing of debt pressure for many states going forward.

The 50-state median for NTSD per capita fell to \$1,012, the third decline in a row. Thirty-three states experienced a decline in NTSD per capita.

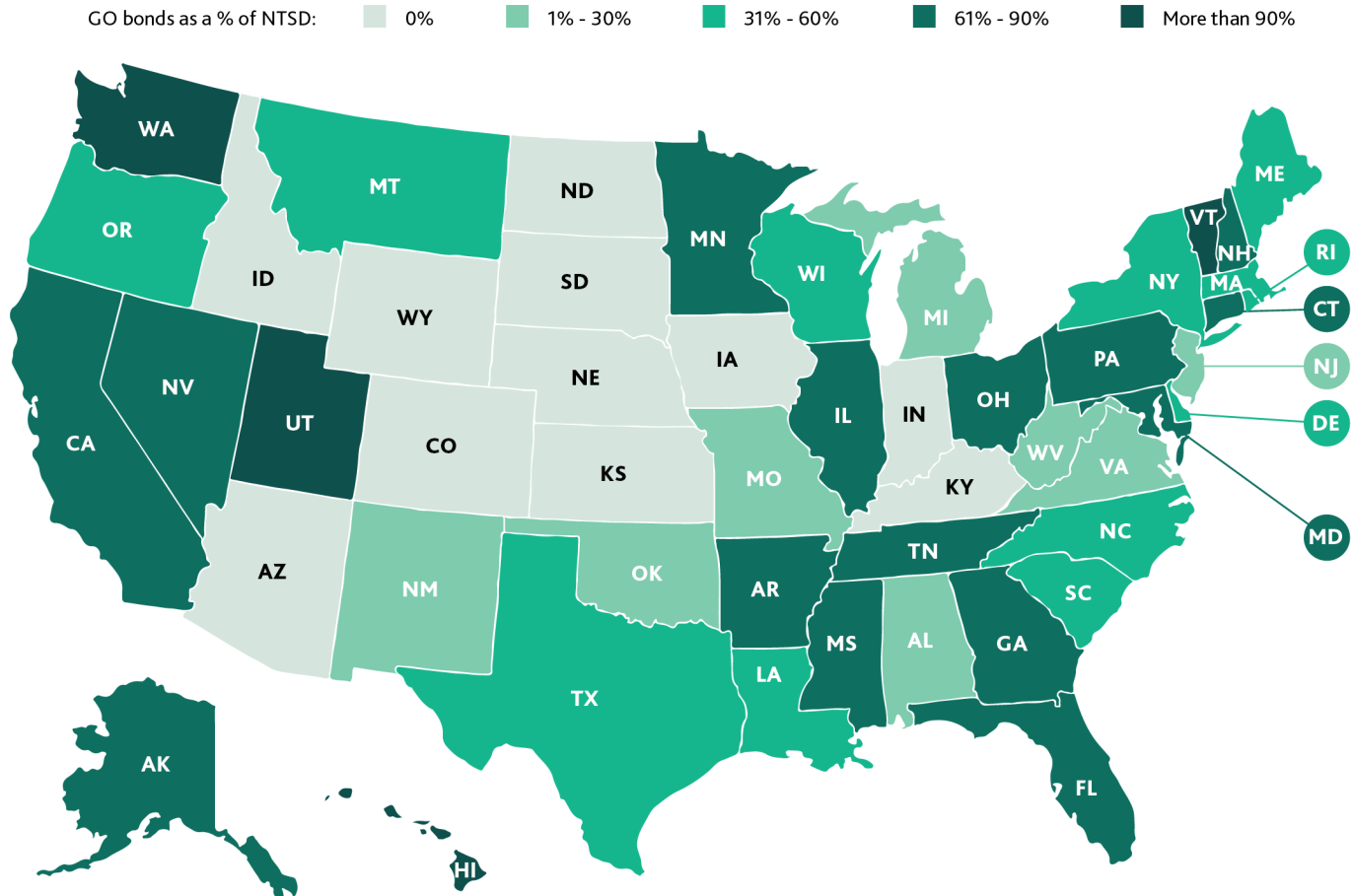
The median for NTSD as a percent of personal income dropped to 2.5%, the second decline in a row, as personal income grew by 4.5%. Thirty-eight states saw a decline in NTSD as percent of personal income.

The debt service ratio represented the one exception to the trend of declining debt ratios. The median value for this ratio increased slightly to 5.3% from 5.1%, driven by borrowing in prior years combined with the tepid growth in state revenues.

## Reliance on general obligation (GO) debt varies widely across states

Exhibit 3

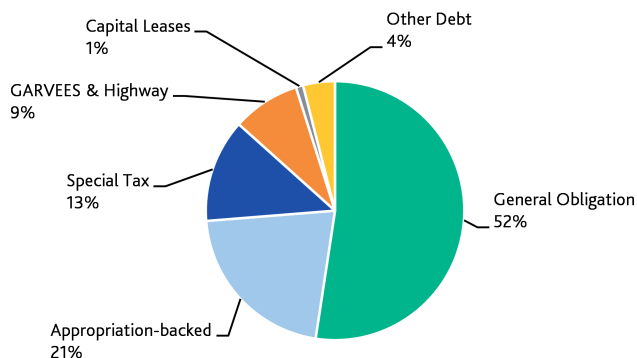
### Use of General Obligation by States Varies Greatly



Source: Moody's Investors Service

In many states, constitutional provisions prohibit or severely limit the issuance of general obligation (GO) bonds. In other states, taxpayer concerns and other political considerations often make it easier to gain approval for other forms of debt, such as lease revenue, appropriation-backed or special tax debt. As a result, the reliance on GO bonds varies widely from state to state, ranging from 94% in [Vermont](#) (Aaa stable) to 0% in 11 other states. Nationwide, GO debt accounts for 52% of total NTSD.

Exhibit 4

**General Obligation (GO) Debt Accounts for about Half of Total State Debt**

Source: Moody's Investors Service

Most state debt remains fixed rate and publicly offered. Variable rate demand debt totaled \$19.4 billion, a decline from \$21.6 billion one year earlier and representing less than 3.8% of total NTSD. Direct bank loans and private financings continue to account for less than 1%.

**Debt levels will stay flat or even decrease again in 2015**

We expect that state debt levels will be flat or even decrease again in 2015. Most states will continue to avoid major new debt service commitments in the face of moderate revenue growth and continuing pressure for increased education and health care spending. Few states have announced large new borrowing initiatives. While many states are also grappling with funding large pension liabilities, we expect that states' use of pension obligation bonds (POBs) will remain limited.

Over the longer term, we expect debt levels to rise again as states seek to address a backlog of deferred infrastructure needs at a time of stagnant federal transportation aid. We believe that public private partnerships (P3s) will play an increasing, but still relatively limited, role in how states address these needs.

### Basis for state debt medians

Moody's 2015 state debt medians are based on our analysis of calendar year 2014 debt issuance and fiscal year 2014 debt service. As in prior year reports, the presentation of debt trend data incorporates a one-year lag (i.e., the data labeled 2015 reflect debt as of calendar year-end 2014).

In considering debt burden, our focus is largely on net tax-supported debt, which we characterize as debt secured by statewide taxes and other general resources, net of obligations that are self-supporting from pledged sources other than state taxes or operating resources – such as utility or local government revenues. We also examine gross debt, which captures debt supported by revenues other than state taxes and general resources. This includes self-supporting general obligation (GO) debt, special assessment bonds, and contingent debt liabilities that may not have direct tax support but represent commitments to make debt service payments under certain conditions (e.g., state guarantees and bonds backed by state moral obligation pledges that have never been tapped).

The debt and debt service ratios of some states are relatively high because they issue debt for purposes that in other states would be financed at the local level, such as for schools or mass transit. Some states' debt service ratios rank higher than their debt ratios due to conservative debt management practices, such as rapid debt amortization. Conversely, some states' debt service ratios rank relatively lower due to the use of capital appreciation bonds or long maturity schedules.

These ratios have been calculated based on our definition of net tax-supported debt, debt service and operating revenues, and in most cases will differ from a state's own published calculations of debt limits or debt affordability. There is no correlation between our ratios and a state's compliance with its internal policies.

Exhibit 5

#### Comparison of NTSD and Gross Tax-Supported Debt (GTSD)

Generally Included in NTSD	Generally Excluded from NTSD/ Included in GTSD
General obligation debt paid from statewide taxes and fees	Self-supporting general obligation debt with an established history of being paid from sources other than taxes or general revenues
Appropriation-backed bonds	Moral obligation debt with an established history of being paid from sources other than taxes or general revenues
Lease revenue bonds	Tobacco securitization bonds, with no state backup
Special tax bonds secured by statewide taxes and fees	Unemployment insurance obligation bonds
Highway bonds, secured by gas taxes and DMV fees	Debt guaranteed, but not paid, by the state
GARVEE bonds	Special assessment bonds
Lottery bonds	Revenue bonds of state enterprise (ex. toll roads)
Moral obligation debt paid from statewide taxes and fees	
Capital leases	
P3s with state concession obligation	
Pension obligation bonds	

Source: Moody's Investors Service

The following Exhibits summarize our calculation of key debt metrics and rank the states accordingly. Debt burden – both on a state's balance sheet and in the context of budgetary flexibility – is one of many factors that we use to determine state credit quality. Therefore these metrics and rankings do not correlate directly to state GO ratings. The 50-state medians exclude Puerto Rico, which is shown for comparison purposes only.

Exhibit 6

**Net Tax-Supported Debt – Per Capita and Percent of Personal Income**

Net Tax-Supported Debt Per Capita			Rating	Net Tax-Supported Debt as a % of 2013 Personal Income		
1	Connecticut	\$5,491	Aa3	1	Hawaii	10.8%
2	Massachusetts	\$4,887	Aa1	2	Connecticut	9.0%
3	Hawaii	\$4,867	Aa2	3	Massachusetts	8.7%
4	New Jersey	\$4,138	A2	4	New Jersey	7.4%
5	New York	\$3,092	Aa1	5	Washington	6.2%
6	Washington	\$2,892	Aa1	6	New York	5.7%
7	Illinois	\$2,681	A3	7	Illinois	5.7%
8	Delaware	\$2,438	Aaa	8	Delaware	5.5%
9	California	\$2,407	Aa3	9	Kentucky	5.3%
10	Rhode Island	\$1,985	Aa2	10	California	5.1%
11	Kentucky	\$1,921	Aa2*	11	Mississippi	5.1%
12	Maryland	\$1,889	Aaa	12	Rhode Island	4.2%
13	Wisconsin	\$1,794	Aa2	13	Wisconsin	4.2%
14	Mississippi	\$1,747	Aa2	14	Oregon	4.1%
15	Oregon	\$1,636	Aa1	15	Louisiana	3.9%
16	Louisiana	\$1,566	Aa2	16	Maryland	3.5%
17	Minnesota	\$1,538	Aa1	17	New Mexico	3.5%
18	Alaska	\$1,489	Aaa	18	Minnesota	3.2%
19	Virginia	\$1,356	Aaa	19	Alaska	3.0%
20	New Mexico	\$1,258	Aaa	20	Utah	3.0%
21	Pennsylvania	\$1,117	Aa3	21	Virginia	2.8%
22	Ohio	\$1,109	Aa1	22	Georgia	2.8%
23	Kansas	\$1,099	Aa2*	23	West Virginia	2.7%
24	Utah	\$1,060	Aaa	24	Ohio	2.7%
25	Georgia	\$1,043	Aaa	25	Kansas	2.5%
26	West Virginia	\$980	Aa1	26	Pennsylvania	2.4%
27	Florida	\$973	Aa1	27	Florida	2.4%
28	Vermont	\$954	Aaa	28	Arizona	2.3%
29	Maine	\$942	Aa2	29	Maine	2.3%
30	New Hampshire	\$848	Aa1	30	Alabama	2.3%
31	Arizona	\$846	Aa2*	31	Vermont	2.1%
32	Alabama	\$824	Aa1	32	North Carolina	1.9%
33	Michigan	\$758	Aa2	33	Michigan	1.9%
34	North Carolina	\$739	Aaa	34	South Carolina	1.9%
35	South Carolina	\$672	Aaa	35	Arkansas	1.9%
36	Arkansas	\$669	Aa1	36	Nevada	1.7%
37	Nevada	\$665	Aa2	37	New Hampshire	1.7%
38	Missouri	\$606	Aaa	38	Missouri	1.5%
39	South Dakota	\$547	NGO**	39	Idaho	1.4%
40	Idaho	\$494	Aa1*	40	Indiana	1.2%
41	Oklahoma	\$493	Aa2	41	South Dakota	1.2%
42	Colorado	\$478	Aa1*	42	Oklahoma	1.2%
43	Indiana	\$474	Aaa*	43	Colorado	1.0%
44	Texas	\$406	Aaa	44	Texas	1.0%
45	Tennessee	\$327	Aaa	45	Tennessee	0.8%
46	Montana	\$254	Aa1	46	Montana	0.7%
47	Iowa	\$250	Aaa*	47	Iowa	0.6%
48	North Dakota	\$193	Aa1*	48	North Dakota	0.3%
49	Wyoming	\$50	NGO**	49	Wyoming	0.1%
50	Nebraska	\$10	NGO**	50	Nebraska	0.0%
MEAN: \$1,419				MEAN: 3.1%		
MEDIAN: \$1,012				MEDIAN: 2.5%		
Puerto Rico *** \$15,637			Caa2	Puerto Rico ** 87.5%		

\* Issuer Rating (No G.O. Debt)

\*\* No General Obligation Debt

\*\*\* This figure is not included in any totals, means, or median calculations but is provided for comparison purposes only

Sources: Moody's Investors Service, US Census Bureau, US Bureau of Economic Analysis

Exhibit 7

## State Net Tax-Supported Debt and Gross Tax-Supported Debt

Net Tax-Supported Debt			Rating	Gross Tax-Supported Debt			Gross to Net Ratio
1	California	\$93,406,000	Aa3	1	California	\$99,844,000	1.07
2	New York	\$61,048,530	Aa1	2	New York	\$61,493,530	1.01
3	New Jersey	\$36,990,047	Aa2	3	New Jersey	\$42,675,220	1.15
4	Illinois	\$34,533,312	Aa3	4	Illinois	\$36,854,813	1.07
5	Massachusetts	\$32,966,753	Aa1	5	Massachusetts	\$34,024,553	1.03
6	Washington	\$20,422,165	Aa1	6	Washington	\$29,369,422	1.44
7	Connecticut	\$19,748,617	Aa3	7	Texas	\$27,425,171	2.51
8	Florida	\$19,365,100	Aa1	8	Michigan	\$24,032,100	3.20
9	Pennsylvania	\$14,279,200	Aa3	9	Connecticut	\$23,582,787	1.19
10	Ohio	\$12,856,609	Aa1	10	Pennsylvania	\$21,798,900	1.53
11	Maryland	\$11,290,500	Aaa	11	Florida	\$20,186,900	1.04
12	Virginia	\$11,286,410	Aaa	12	Minnesota	\$19,615,365	2.34
13	Texas	\$10,947,292	Aaa	13	Ohio	\$18,404,070	1.43
14	Georgia	\$10,533,130	Aaa	14	Oregon	\$16,168,478	2.49
15	Wisconsin	\$10,331,182	Aa2	15	Virginia	\$15,689,870	1.39
16	Kentucky	\$8,478,928	Aa2*	16	Wisconsin	\$13,502,101	1.31
17	Minnesota	\$8,391,884	Aa1	17	Kentucky	\$11,530,315	1.36
18	Michigan	\$7,510,200	Aa2	18	Maryland	\$11,290,500	1.00
19	North Carolina	\$7,345,660	Aaa	19	Georgia	\$10,533,130	1.00
20	Louisiana	\$7,281,761	Aa2	20	Colorado	\$10,042,681	3.92
21	Hawaii	\$6,908,297	Aa2	21	Louisiana	\$9,248,500	1.27
22	Oregon	\$6,495,201	Aa1	22	Alabama	\$8,919,371	2.23
23	Arizona	\$5,696,536	Aa2*	23	Utah	\$8,227,349	2.64
24	Mississippi	\$5,230,599	Aa2	24	North Carolina	\$7,345,660	1.00
25	Alabama	\$3,994,554	Aa1	25	Hawaii	\$6,908,852	1.00
26	Missouri	\$3,674,045	Aaa	26	Mississippi	\$6,095,138	1.17
27	South Carolina	\$3,245,817	Aaa	27	Arizona	\$5,696,536	1.00
28	Kansas	\$3,190,772	Aa2*	28	Maine	\$4,942,194	3.94
29	Indiana	\$3,127,400	Aaa*	29	Tennessee	\$4,685,916	2.19
30	Utah	\$3,118,204	Aaa	30	Indiana	\$4,553,168	1.46
31	New Mexico	\$2,622,700	Aaa	31	Kansas	\$3,905,815	1.22
32	Colorado	\$2,562,681	Aa1*	32	Alaska	\$3,832,700	3.49
33	Delaware	\$2,280,579	Aaa	33	Missouri	\$3,674,045	1.00
34	Tennessee	\$2,142,316	Aaa	34	South Carolina	\$3,572,436	1.10
35	Rhode Island	\$2,094,732	Aa2	35	West Virginia	\$3,248,331	1.79
36	Arkansas	\$1,985,697	Aa1	36	Nevada	\$3,078,649	1.63
37	Oklahoma	\$1,913,369	Aa2	37	Rhode Island	\$3,015,154	1.44
38	Nevada	\$1,887,084	Aa2	38	Delaware	\$2,818,890	1.24
39	West Virginia	\$1,813,268	Aa1	39	New Mexico	\$2,622,700	1.00
40	Maine	\$1,253,100	Aa2	40	New Hampshire	\$2,574,473	2.29
41	New Hampshire	\$1,125,535	Aa1	41	Iowa	\$2,184,095	2.81
42	Alaska	\$1,097,200	Aaa	42	Idaho	\$2,102,287	2.60
43	Idaho	\$807,023	Aa1*	43	Arkansas	\$1,985,697	1.00
44	Iowa	\$777,765	Aaa*	44	Oklahoma	\$1,958,254	1.02
45	Vermont	\$597,520	Aaa	45	Vermont	\$1,668,771	2.79
46	South Dakota	\$466,291	NGO**	46	North Dakota	\$1,416,698	9.94
47	Montana	\$259,835	Aa1	47	South Dakota	\$603,141	1.29
48	North Dakota	\$142,467	Aa1*	48	Montana	\$593,948	2.29
49	Wyoming	\$29,020	NGO**	49	Wyoming	\$29,020	1.00
50	Nebraska	\$18,175	NGO**	50	Nebraska	\$23,740	1.31
<b>Totals</b>		<b>\$509,571,062</b>		<b>Totals</b>		<b>\$659,595,435</b>	
<b>MEAN:</b>		<b>\$10,191,421</b>		<b>MEAN:</b>		<b>13,191,909</b>	<b>1.85</b>
<b>MEDIAN:</b>		<b>\$3,834,300</b>		<b>MEDIAN:</b>		<b>6,501,995</b>	<b>1.33</b>
Puerto Rico		\$55,486,941	Caa2***	Puerto Rico		\$61,823,528	1.11

\* Issuer Rating (No G.O. Debt), \*\* No General Obligation Debt, \*\*\* This figure is not included in any totals, means, or median calculations but is provided for comparison purposes only

Source: Moody's Investors Service



Exhibit 8

## Net Tax-Supported Debt as Percent of Gross State Domestic Product

2012 NTSD as % of 2011 State GDP			2013 NTSD as % of 2012 State GDP			2014 NTSD as % of 2013 State GDP		
1	Hawaii	8.83%	1	Hawaii	9.16%	1	Hawaii	9.18%
2	Massachusetts	8.43%	2	Connecticut	8.56%	2	Connecticut	7.92%
3	Connecticut	8.09%	3	Massachusetts	8.28%	3	Massachusetts	7.39%
4	New Jersey	7.32%	4	New Jersey	6.99%	4	New Jersey	6.81%
5	Washington	5.47%	5	Washington	5.43%	5	Washington	5.00%
6	New York	5.36%	6	Kentucky	5.16%	6	Mississippi	4.97%
7	Kentucky	5.31%	7	New York	5.15%	7	Illinois	4.79%
8	Mississippi	5.30%	8	Mississippi	5.15%	8	New York	4.66%
9	California	4.98%	9	Illinois	4.78%	9	Kentucky	4.62%
10	Illinois	4.85%	10	California	4.72%	10	California	4.24%
11	Rhode Island	4.37%	11	Rhode Island	4.26%	11	Rhode Island	3.94%
12	Wisconsin	4.21%	12	Wisconsin	4.05%	12	Wisconsin	3.66%
13	Oregon	3.90%	13	Delaware	3.49%	13	Delaware	3.64%
14	Delaware	3.54%	14	Maryland	3.34%	14	Maryland	3.30%
15	Maryland	3.52%	15	Oregon	3.13%	15	Oregon	2.96%
16	New Mexico	3.46%	16	New Mexico	3.13%	16	Louisiana	2.87%
17	West Virginia	3.10%	17	West Virginia	2.79%	17	New Mexico	2.84%
18	Utah	2.92%	18	Louisiana	2.78%	18	Minnesota	2.69%
19	Florida	2.78%	19	Utah	2.64%	19	Virginia	2.49%
20	Pennsylvania	2.66%	20	Minnesota	2.58%	20	West Virginia	2.45%
21	Louisiana	2.62%	21	Florida	2.54%	21	Florida	2.42%
22	Georgia	2.51%	22	Pennsylvania	2.49%	22	Georgia	2.32%
23	Minnesota	2.51%	23	Ohio	2.47%	23	Maine	2.29%
24	Virginia	2.51%	24	Georgia	2.45%	24	Ohio	2.27%
25	Ohio	2.50%	25	Virginia	2.41%	25	Kansas	2.21%
26	Kansas	2.45%	26	Maine	2.35%	26	Pennsylvania	2.21%
27	Alabama	2.42%	27	Alabama	2.31%	27	Utah	2.21%
28	Arizona	2.29%	28	Kansas	2.28%	28	Alabama	2.06%
29	South Carolina	2.22%	29	Alaska	2.23%	29	Arizona	2.04%
30	Maine	2.10%	30	Arizona	2.21%	30	Vermont	2.02%
31	Michigan	2.05%	31	South Carolina	2.03%	31	Alaska	1.85%
32	Vermont	1.96%	32	Vermont	2.01%	32	South Carolina	1.77%
33	North Carolina	1.89%	33	Michigan	1.94%	33	Michigan	1.74%
34	New Hampshire	1.79%	34	New Hampshire	1.77%	34	New Hampshire	1.66%
35	Alaska	1.78%	35	North Carolina	1.74%	35	Arkansas	1.60%
36	Missouri	1.69%	36	Arkansas	1.59%	36	North Carolina	1.56%
37	Nevada	1.55%	37	Missouri	1.56%	37	Nevada	1.43%
38	Oklahoma	1.49%	38	Idaho	1.39%	38	Missouri	1.33%
39	Idaho	1.42%	39	Nevada	1.34%	39	Idaho	1.30%
40	Texas	1.16%	40	Oklahoma	1.26%	40	Oklahoma	1.05%
41	Arkansas	1.13%	41	Indiana	1.17%	41	South Dakota	1.00%
42	Colorado	1.03%	42	Texas	1.16%	42	Indiana	0.99%
43	Indiana	1.00%	43	Colorado	0.99%	43	Colorado	0.87%
44	Tennessee	0.83%	44	South Dakota	0.78%	44	Tennessee	0.74%
45	Montana	0.82%	45	Tennessee	0.76%	45	Texas	0.71%
46	South Dakota	0.74%	46	Montana	0.69%	46	Montana	0.59%
47	Iowa	0.59%	47	Iowa	0.56%	47	Iowa	0.47%
48	North Dakota	0.51%	48	North Dakota	0.39%	48	North Dakota	0.25%
49	Wyoming	0.09%	49	Wyoming	0.08%	49	Wyoming	0.06%
50	Nebraska	0.03%	50	Nebraska	0.02%	50	Nebraska	0.02%
MEAN:		2.92%	MEAN:		2.85%	MEAN:		2.67%
MEDIAN:		2.47%	MEDIAN:		2.38%	MEDIAN:		2.21%
Puerto Rico**		52.90%	Puerto Rico**		54.00%	Puerto Rico**		53.85%

\* State GDP numbers have a 1-year lag.

Sources: Moody's Analytics and US Bureau of Economic Analysis

Exhibit 9

## Net Tax-Supported Debt as a Percentage of Personal Income

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Alabama	2.0%	2.2%	2.0%	2.8%	2.6%	2.4%	2.6%	2.5%	2.5%	2.4%	2.3%
Alaska	2.8%	2.6%	2.7%	2.4%	2.2%	3.2%	3.0%	3.3%	2.8%	3.2%	3.0%
Arizona	2.6%	2.2%	2.0%	2.0%	2.5%	2.3%	2.8%	2.8%	2.5%	2.5%	2.3%
Arkansas	1.6%	1.6%	1.4%	1.7%	1.3%	1.0%	1.1%	1.0%	1.2%	1.7%	1.9%
California	4.7%	4.6%	4.4%	4.3%	4.4%	5.6%	6.0%	6.0%	5.8%	5.4%	5.1%
Colorado	1.0%	0.9%	0.9%	0.8%	0.8%	1.0%	1.3%	1.3%	1.2%	1.1%	1.0%
Connecticut	8.5%	8.0%	7.8%	7.3%	8.2%	8.7%	9.5%	9.1%	9.1%	9.2%	9.0%
Delaware	5.5%	5.3%	5.5%	5.2%	5.4%	6.2%	6.8%	6.8%	6.2%	5.7%	5.5%
Florida	3.4%	3.2%	3.1%	2.8%	2.9%	2.9%	3.0%	3.0%	2.8%	2.5%	2.4%
Georgia	2.8%	2.7%	3.0%	3.0%	3.0%	3.3%	3.3%	3.1%	3.0%	2.9%	2.8%
Hawaii	11.1%	12.1%	10.6%	9.9%	9.4%	9.9%	10.1%	9.6%	10.0%	10.6%	10.8%
Idaho	0.6%	0.6%	0.6%	1.2%	1.6%	1.7%	1.6%	1.7%	1.6%	1.5%	1.4%
Illinois	6.2%	5.9%	5.5%	5.2%	4.6%	4.4%	5.7%	6.0%	5.7%	5.6%	5.7%
Indiana	1.4%	1.6%	2.1%	1.5%	1.5%	1.5%	1.4%	1.3%	1.2%	1.4%	1.2%
Iowa	0.5%	0.4%	0.3%	0.3%	0.2%	0.2%	0.7%	0.8%	0.7%	0.6%	0.6%
Kansas	4.0%	3.8%	3.7%	3.5%	3.2%	3.0%	3.2%	3.1%	2.8%	2.6%	2.5%
Kentucky	4.0%	4.5%	4.3%	4.7%	4.8%	5.4%	6.1%	6.1%	5.9%	5.7%	5.3%
Louisiana	2.4%	3.1%	4.9%	4.3%	3.3%	3.6%	3.5%	3.7%	3.7%	3.7%	3.9%
Maine	2.2%	2.0%	1.9%	1.9%	2.2%	2.2%	2.4%	2.3%	2.1%	2.4%	2.3%
Maryland	2.9%	3.0%	2.8%	3.0%	3.3%	3.4%	3.3%	3.6%	3.6%	3.4%	3.5%
Massachusetts	8.5%	9.8%	9.4%	9.8%	8.9%	9.2%	9.2%	9.4%	9.3%	9.0%	8.7%
Michigan	2.2%	2.1%	2.2%	2.2%	2.2%	2.1%	2.2%	2.2%	2.2%	2.1%	1.9%
Minnesota	2.0%	2.1%	2.2%	2.3%	2.1%	2.4%	2.5%	2.7%	3.0%	3.0%	3.2%
Mississippi	4.8%	4.8%	4.9%	4.8%	5.2%	5.0%	5.1%	5.6%	5.4%	5.2%	5.1%
Missouri	1.5%	1.6%	1.9%	2.1%	2.0%	2.2%	2.2%	2.0%	1.8%	1.7%	1.5%
Montana	1.1%	1.4%	1.5%	1.2%	1.2%	1.1%	1.1%	1.0%	0.9%	0.7%	0.7%
Nebraska	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Nevada	2.0%	2.2%	1.7%	2.0%	2.2%	2.3%	2.4%	2.2%	1.9%	1.7%	1.7%
New Hampshire	1.3%	1.4%	1.3%	1.3%	1.3%	1.6%	1.9%	1.8%	1.9%	1.8%	1.7%
New Jersey	7.4%	7.9%	7.6%	7.5%	7.3%	7.2%	7.8%	7.8%	7.6%	7.3%	7.4%
New Mexico	5.3%	4.7%	5.3%	4.8%	4.6%	4.4%	5.6%	4.2%	3.8%	3.4%	3.5%
New York	7.2%	6.7%	6.7%	6.3%	6.3%	6.5%	6.7%	6.6%	6.3%	6.0%	5.7%
North Carolina	2.5%	2.8%	2.4%	2.8%	2.5%	2.3%	2.3%	2.3%	2.4%	2.1%	1.9%
North Dakota	0.6%	1.2%	1.0%	1.1%	1.0%	0.8%	0.8%	0.6%	0.7%	0.5%	0.3%
Ohio	2.9%	2.9%	3.0%	2.9%	2.8%	2.6%	2.8%	2.8%	2.8%	2.7%	2.7%
Oklahoma	1.2%	1.4%	1.5%	1.5%	1.5%	1.6%	1.8%	1.7%	1.6%	1.3%	1.2%
Oregon	4.7%	4.5%	4.6%	5.0%	4.6%	5.2%	5.6%	5.5%	5.2%	4.9%	4.1%
Pennsylvania	2.3%	2.3%	2.4%	2.4%	2.5%	2.4%	2.7%	2.8%	2.8%	2.6%	2.4%
Rhode Island	4.3%	4.1%	4.6%	4.7%	4.5%	5.2%	5.3%	4.7%	4.7%	4.5%	4.2%
South Carolina	2.2%	2.5%	2.3%	3.3%	2.9%	2.9%	2.7%	2.5%	2.3%	2.2%	1.9%
South Dakota	0.9%	0.7%	0.8%	0.9%	0.8%	0.4%	0.9%	0.9%	0.9%	0.9%	1.2%
Tennessee	0.7%	0.8%	0.7%	0.7%	0.7%	0.9%	1.0%	1.0%	0.9%	0.8%	0.8%
Texas	1.0%	1.0%	1.3%	1.4%	1.4%	1.4%	1.6%	1.5%	1.5%	1.5%	1.0%
Utah	3.2%	2.7%	2.3%	1.9%	1.5%	3.2%	4.1%	4.4%	3.8%	3.4%	3.0%
Vermont	2.3%	2.2%	2.1%	2.0%	1.8%	1.8%	1.9%	2.0%	1.9%	2.0%	2.1%
Virginia	1.8%	1.7%	1.8%	1.9%	1.9%	2.1%	2.4%	2.6%	2.9%	2.7%	2.8%
Washington	4.9%	4.9%	5.1%	5.1%	5.1%	5.3%	6.2%	6.0%	6.4%	6.4%	6.2%
West Virginia	4.6%	4.4%	3.9%	3.9%	3.6%	3.5%	3.8%	3.6%	3.3%	3.0%	2.7%
Wisconsin	4.7%	4.3%	4.2%	4.1%	4.0%	4.6%	4.8%	4.8%	4.7%	4.4%	4.2%
Wyoming	0.7%	0.3%	0.3%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
<b>Median</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>2.6%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>2.8%</b>	<b>2.8%</b>	<b>2.8%</b>	<b>2.6%</b>	<b>2.5%</b>

Sources: Moody's Investors Service and US Bureau of Economic Analysis

Exhibit 10

## Debt Service Ratio

FY2012			FY2013			FY2014		
1	Connecticut	12.7%	1	Connecticut	13.5%	1	Hawaii	13.0%
2	New York	11.5%	2	New York	11.4%	2	Connecticut	12.4%
3	Massachusetts	11.3%	3	Hawaii	11.1%	3	New York	11.4%
4	Hawaii	10.4%	4	Massachusetts	10.5%	4	Utah	10.5%
5	Illinois	10.4%	5	Illinois	10.1%	5	West Virginia**	10.5%
6	Oregon	9.5%	6	California	9.4%	6	Massachusetts	10.4%
7	California	9.2%	7	Washington	9.1%	7	Illinois	10.3%
8	Washington	9.0%	8	New Jersey	8.9%	8	Washington	9.8%
9	New Jersey	8.8%	9	Oregon	8.9%	9	Kentucky	9.1%
10	Delaware	7.8%	10	Kentucky	8.8%	10	New Jersey	8.9%
11	Rhode Island	7.7%	11	Nevada	8.1%	11	Oregon	8.6%
12	Florida	7.6%	12	Rhode Island	7.8%	12	Wisconsin	7.9%
13	Utah	7.3%	13	Delaware	7.6%	13	California	7.9%
14	Mississippi	7.2%	14	Utah	7.5%	14	Delaware	7.6%
15	Kentucky	7.2%	15	Florida	7.1%	15	Rhode Island	7.5%
16	Georgia	7.0%	16	Mississippi	6.9%	16	Georgia	6.7%
17	New Hampshire	6.8%	17	Wisconsin	6.7%	17	Mississippi	6.2%
18	Nevada	6.6%	18	Georgia	6.7%	18	Nevada	6.1%
19	Maine	6.4%	19	Maine	6.1%	19	Alabama	5.9%
20	Maryland	5.7%	20	Alabama	5.6%	20	Maryland	5.8%
21	Virginia	5.2%	21	Ohio	5.5%	21	Ohio	5.8%
22	Arizona	5.1%	22	Maryland	5.5%	22	Maine	5.7%
23	New Mexico	5.1%	23	Virginia	5.4%	23	Arizona	5.6%
24	Pennsylvania	5.0%	24	Arizona	5.3%	24	Florida	5.5%
25	Alabama	4.9%	25	Pennsylvania	5.1%	25	Virginia	5.4%
26	South Carolina	4.8%	26	New Mexico*	5.1%	26	New Hampshire	5.3%
27	Kansas	4.5%	27	Louisiana	4.9%	27	Pennsylvania	5.2%
28	Louisiana	4.5%	28	New Hampshire	4.9%	28	New Mexico**	4.9%
29	Ohio	4.1%	29	South Carolina	4.6%	29	Louisiana	4.7%
30	Missouri	3.9%	30	Kansas	4.5%	30	South Carolina	4.6%
31	North Carolina	3.8%	31	North Carolina	3.7%	31	North Carolina	4.3%
32	Wisconsin	3.8%	32	West Virginia	3.7%	32	Minnesota	4.2%
33	West Virginia	3.6%	33	Missouri	3.6%	33	Missouri	4.0%
34	Texas	3.1%	34	Texas	3.0%	34	Kansas	3.3%
35	Arkansas	3.0%	35	Colorado	2.8%	35	Michigan	3.2%
36	Colorado	2.8%	36	Michigan	2.8%	36	South Dakota	3.0%
37	Idaho	2.8%	37	Idaho	2.7%	37	Colorado	2.9%
38	Vermont	2.8%	38	Vermont	2.7%	38	Vermont	2.8%
39	Minnesota	2.7%	39	Oklahoma	2.3%	39	Idaho	2.7%
40	Michigan	2.6%	40	Arkansas	2.2%	40	Texas	2.6%
41	Montana	2.4%	41	Montana	2.1%	41	Arkansas	2.6%
42	Oklahoma	2.2%	42	Minnesota	2.1%	42	Oklahoma	2.4%
43	Indiana	1.9%	43	Indiana	1.9%	43	Montana	2.0%
44	South Dakota	1.6%	44	Alaska	1.6%	44	Alaska	1.7%
45	Tennessee	1.5%	45	South Dakota	1.5%	45	Tennessee	1.7%
46	Alaska	1.3%	46	Tennessee	1.5%	46	Indiana	1.6%
47	Iowa	0.9%	47	Iowa	0.9%	47	North Dakota	0.6%
48	North Dakota	0.8%	48	North Dakota	0.7%	48	Iowa	0.4%
49	Nebraska	0.2%	49	Nebraska	0.2%	49	Wyoming	0.1%
50	Wyoming	0.2%	50	Wyoming	0.2%	50	Nebraska	0.1%
<b>Mean</b>		<b>5.2%</b>	<b>Mean</b>		<b>5.3%</b>	<b>Mean</b>		<b>5.5%</b>
<b>Median</b>		<b>4.8%</b>	<b>Median</b>		<b>5.1%</b>	<b>Median</b>		<b>5.3%</b>
Puerto Rico		21.7%	Puerto Rico			Puerto Rico**		26.8%

\* Figures restated since last report to incorporate FY2013 revenues.

\*\* Figures based on estimated FY2014 revenues; audited financial statements not available at time of publication. Figures for Puerto Rico are not included in any totals, means, or median calculations but is provided for comparison use only.

Source: Moody's Investors Service

Exhibit 11

## Demand Debt and Direct Loans/Private Placements

State	NTSD \$000	Demand Debt (\$000)	Direct Loans/ Private Placements	
			(\$000) #	Direct Loans/ Private Placements
Alabama	\$3,994,554	\$-	\$ 263,312	6
Alaska	\$1,097,200	\$-	\$-	0
Arizona	\$5,696,536	\$-	\$-	0
Arkansas	\$1,985,697	\$-	\$1,500	1
California	\$93,406,000	\$5,681,150	\$500	1
Colorado	\$2,562,681	\$-	\$-	0
Connecticut	\$19,748,617	\$-	\$-	0
Delaware	\$2,280,579	\$-	\$3,325	4
Florida	\$19,365,100	\$74,290	\$-	0
Georgia	\$10,533,130	\$-	\$127,305	1
Hawaii	\$6,908,297	\$-	\$-	0
Idaho	\$807,023	\$-	\$671	1
Illinois	\$34,533,312	\$600,000	\$-	0
Indiana	\$3,127,400	\$458,175	\$310,000	4
Iowa	\$777,765	\$-	\$11,005	1
Kansas	\$3,190,772	\$147,000	\$-	0
Kentucky	\$8,478,928	\$-	\$-	0
Louisiana	\$7,281,761	\$-	\$325,755	6
Maine	\$1,253,100	\$-	\$38,150	1
Maryland	\$11,290,500	\$59,450	\$56,409	8
Massachusetts	\$32,966,753	\$3,075,390	\$441,115	3
Michigan	\$7,510,200	\$181,380	\$-	0
Minnesota	\$8,391,884	\$-	\$-	0
Mississippi	\$5,230,599	\$-	\$-	0
Missouri	\$3,674,045	\$30,625	\$-	0
Montana	\$259,835	\$-	\$-	0
Nebraska	\$18,175	\$-	\$-	0
Nevada	\$1,887,084	\$-	\$9,450	2
New Hampshire	\$1,125,535	\$-	\$20,599	7
New Jersey	\$36,990,047	\$290,115	\$324,070	4
New Mexico	\$2,622,700	\$420,000	\$284,800	3
New York	\$61,048,530	\$2,206,165	\$-	0
North Carolina	\$7,345,660	\$-	\$-	0
North Dakota	\$142,467	\$-	\$-	0
Ohio	\$12,856,609	\$553,210	\$-	0
Oklahoma	\$1,913,369	\$-	\$1,146	1
Oregon	\$6,495,201	\$159,205	\$265,515	1
Pennsylvania	\$14,279,200	\$231,425	\$73,475	1
Rhode Island	\$2,094,732	\$38,400	\$43,510	3
South Carolina	\$3,245,817	\$-	\$359,903	4
South Dakota	\$466,291	\$-	\$-	0
Tennessee	\$2,142,316	\$350,000	\$-	0
Texas	\$10,947,292	\$3,181,098	\$750,000	3
Utah	\$3,118,204	\$-	\$-	0
Vermont	\$597,520	\$-	\$-	0
Virginia	\$11,286,410	\$139,555	\$12,348	4
Washington	\$20,422,165	\$-	\$-	0
West Virginia	\$1,813,268	\$25,000	\$25,000	2
Wisconsin	\$10,331,182	\$1,513,028	\$279,800	5
Wyoming	\$29,020	\$-	\$-	0
<b>TOTAL</b>	<b>\$509,571,062</b>	<b>\$19,414,661</b>	<b>\$4,028,663</b>	<b>77</b>
Puerto Rico*	\$55,486,941	\$709,725	\$476,000	2

\* state has not confirmed figure

Source: Moody's Investors Service

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